(c) whether Government or Reserve Bank of India have issued orders to these foreign banks to operate in line with the nationalised banks;

(d) if so, what are the details thereof; and

(e) if the answer to part (c) above be in the negative what are the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) Reserve Bank of India (RBI) have reported that they have issued directives/instructions to banks only in regard to the rate of interest to be paid on savings bank accounts and calculation of interest thereon. RBI have no information about foreign banks flouting these directives/instructions.

(b) Yes, Sir.

(c) to (e) RBI have not issued any directive/instruction to any category of banks including nationalised banks regarding maintenance of minimum balances in savings bank accounts or levy of service charges for failure to maintain the same. In view of this, the question of asking foreign banks to fall in line with natoina--lised banks does not arise.

Reduction of Duty on Consumable Items

3440. SYED SIBTEY RAZI : Will the Minister of FINANCE be pleased to state :

(a) whether Government has reduced excise duty on a number of consumable items;

(b) if so, details of such reductions item-wise with effective date of such reduction;

(c) whether the manufacturers have reduced such duty on their consumable items;

(d) if so, give names of these manufacutrers with actual reductions made by them item-wise;

(e) whether Government propose to take some steps to ask these manufacturers to give wide publicity of these reductions at each retail outlet of the country;

(f) whether Government also propose to take some steps to give wide publicity of these reductions through electronic media on fixed days and timings to ensure that the reductions given by Government are availed of by the consumers; and

(g) if so, what are the details thereof and if not, what are the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) & (b) The excise duty on a number of consumer goods has been reduced in the Budget, 1993-94, with effect from 28-02-1993. The details are available in the Memorandum Explaining the Provisions in the Finance Bill, 1993.

(c) to (e) A number of manufacturers have announced reduction in their prices through advertisements in national dailies conseuqent upon reduction in excise duties in the Budget. These include such companies as Pond's (India) Ltd., Voltas Ltd., Mahindra & Mahindra Ltd., Maruti Udyog Ltd., Bajaj Auto Ltd. The reduction made by them item-wise is indicated in the statement (*See* below).

(f) and (g) The Budget proposals of excise duty concessions have already been given wide publicity in the national dailies and in the electronic media. However, the availment of the reduction in central excise duties by the consumers also depends on market forces.

Statement

Company	Item	Reduction
Ponds (India) Ltd. . . .	Talcom Powder	Rs. 1.50 to Rs 6.25
	Cold Cream	Rs. 3.50 to Rs. 13.65
	Shampoo	Rs. 2.80 to Rs. 20.10
Voltas Ltd.	Room Air-Conditioners	Rs. 3250 to Rs. 5800
	Refrigerators	Rs. 525 to Rs 1525
Mahindra & Mahindra Ltd . .	Jeeps	Rs 12000 to Rs. 22000
	Tractor	Rs. 9000 to Rs. 12000
Maruti Udyog Ltd. . . .	Cars	Rs 16507 to Rs 36069
Bajaj Auto Ltd. . . .	Three-wheelers	Rs 1895 to Rs 3197

Losses Incurred in Cooperative Banks in Madhya Pradesh

3441. SHRI SURESH PACHOURI :

SHRI IQBAL SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that many Co-operative Banks in the State of Madhya Pradesh are incurring losses due to heavy administrative expenditure incurred by them;

(b) if so, what are the details of such banks and losses suffered by them and their Administrative expenditure for the last five financial years, year-wise; and

(c) what action Government propose to take to reduce the losses being incurred by Co-operative Banks in Madhya Pradesh ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) to (c) The losses incurred by the Central Cooperative Banks (CCBs) arise on account of various factors like low business turnover, high cost of management, low operating margins, lack of diversification of loan portfolio, failure to manage funds prudently and low recovery.

The details of profits earned and losses incurred by Central Cooperative Banks in the State of Madhya Pradesh during the years 1988-89, 1989-90 and 1990-91 (latest available) are given in statement (*See* below).

These aspects are studied during statutory inspection of the banks conduct by NABARD and suitable remedial measures are suggested. NABARD has been impressing upon the State Governments the need to improve recovery climate. NABARD has also formulated a Business Development Plan for CCBs to be implemented on a pilot basis by selected CCBs in each State. This plan aims at overall developments of the Banks into efficient and viable units. The CCBs are also inspected by the State Governments which conduct statutory inspections and suggests remedial measures.